

EXPORT OF ENCRYPTION TECHNOLOGY (5E002)

This chart provides additional guidance pertaining to the transfers of encryption technology controlled under ECCN 5E002, and is **not** all inclusive and is only meant as general guidance for exporters. The chart includes guidance on the release of 5E002 encryption technology to foreign nationals under the "deemed export" rule found at §734.2(b)(2) of the Export Administration Regulations (EAR). The inclusion of "contractors" and "consultants" within the meaning of "employees", as that term is used in the relevant EAR provisions, is intended to address export control issues only and does not have any bearing on labor or employment matters. Please refer to the EAR, in particular §740.17, for specific details, and Part 772 for the definition of a U.S. subsidiary. Also, exports or transfers of encryption technology to foreign nationals from Cuba, Iran, Iraq, Libya, North Korea, Sudan or Syria is not permitted without written authorization from the U.S. government.

Exporter	End-Users	Licensing Mechanism	Technical Review
U.S. Company	U.S. Company's foreign subsidiary	ENC	No
U.S. Company	Foreign employees, including Contractors and Consultants ¹ , in the U.S.	ENC	No
U.S. Company (owned by foreign parent)	Foreign employees, including Contractors and Consultants ¹ of a U.S. company, in the U.S.	ENC	No
U.S. Company (U.S. or owned by foreign parent)	Foreign Entity	ELA/IL	Yes
U.S. Company (owned by foreign parent)	Foreign Parent	ELA/IL	Yes
U.S. Company (owned by foreign parent)	Foreign employees of foreign parent working in the U.S.	ELA/IL	Yes

ELA-Encryption Licensing Arrangement

ENC-License Exception ENC

IL-Individual License

1. Consistent with the EAR provisions, it is BXA's intent to include self-employed natural person (not a juridical person, e.g., not a company) within this end-user category.